(b) whether it is also a fact that Government are also thinking of amending the Forward Market Appellate Tribunal on the lines of Security Appellate Tribunal; and

(c) if so, the details of (a) and (b) above?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN): (a) It is proposed to introduce a Bill in the Parliament during the current session for amending the Forward Contracts (Regulation) Act, 1952 for, *inter alia,* strengthening and restructuring the Forward Markets Commission (FMC).

(b) No, Sir.

(c) The amendments proposed in the Forward Contracts (Regulation) Act, 1952, mainly relate to: (i) increasing the number of Members of FMC from four to nine with up to three whole-time Members and a Chairman; (ii) enhancing the powers of the FMC; (iii) conferring power upon FMC to recruit its officers and employees; (iv) creating FMC General Fund to which all receivables will be credited; and (v) registration of intermediaries with FMC. It is also proposed to designate the Securities Appellate Tribunal as the appellate authority for the puposes of the Forward Contracts (Regulation) Act, 1952.

Supply of sub-standard rice by FCI

†35. SHRI MOTILAL VORA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government are aware of the supply of substandard rice to the Southern States from the FCI godowns in Punjab;

(b) if so, the officers and rice mills found to be responsible for the same;

(c) the details of the action taken against the guilty officers and the rice mills responsible for it to compensate the loss suffered by the country;

(d) the details of incidents of fraud by officers and traders against FCI during the last five years; and

† Original notice of the question was received in Hindi.

(e) the steps being taken by Government to prevent the recurrence of such incidents in future?

THE MINISTER OF STATE IN THE MINISTRY CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Against the total quantity of 39.91 lakh MTs of rice dispatched during November, 2004 to October, 2005 to the Southern States from Punjab, quality complaints were received for a total quantity of 3,52,208 MTs. Out of this quantity, for which quality complaints were received, a quantity of 3,06,401 MTs has been issued and only 45807 MTs remains to be under quality complaint, which comes to 1.15% against total dispatch of 39.91 lakhs MTs.

(b) As informed by FCI, 11 category-I and 71 Category-II/III officials have been identified responsible for acceptance/dispatch of sub-standard (BRL/beyond PFA limit) rice.

CBI has also registered three FIRs bearing No. RCCHG 2006 A0001, 0002 and 0003 dated 7.1.2006 against 83 officers/officials of the FCI including the then SRM, Punjab and 330 Rice Millers identified by them for acceptance dispatch/delivery of sub standard rice during KMS 2004-2005.

(c) As per the information received from FCI, of the 11 category-I and 71 Category-II/III officers, penalty of dismissal from the services and forfeiture of gratuity, to partially off set the losses suffered by the corporation have already been imposed upon one Category-I Officer. Business dealing with 88 Rice Millers for the delivery of poor quality rice has been banned. Various other Rice Millers identified for delivery of poor quality of rice have given unqualified undertaking for replacement of such stocks with the stocks conforming to specifications and replacement by them is in progress. Therefore ban against them was revoked by General Manager (Pb.).

(d) As informed by FCI during the last five years i.e. 2001-2005 in all 1578 and 756 chargesheets have been issued to the officers/officials of FCI for acceptance/dispatch of BRL stocks and for procurement of BRL stocks respectively in Punjab Region.

(e) To avoid the recurrence of such incidence, following steps have been taken:

(i) A large number of officers/officials who were found responsible for acceptance of BRL/beyond PFA limit stocks were either placed under suspension or transferred out of region or banned for acceptance of rice besides regular disciplinary action against them, by FCI.

(ii) Some procedural changes have also been made by the FCI during the KMS 2005-06 and teams for Regional Office/District Office constituted for collection/drawal of samples of rice stocks being accepted for analysis in the concerned Labs and immediate action is taken on detection of BRL stocks.

(iii) Notorious Centers and millers have been identified and Area Managers/Assistant General Managers (QC) have been instructed by FCI to keep a strict vigil on them in order to ensure that no sub standard rice is delivered by unscrupulous millers in connivance with the staff/officers of the FCI.

(iv) The inspection reports of concerned officers of FCI relating to procurement of rice are being closely monitored in the Regional/ Zonal offices.

(v) Frequent checking of procurement centers including rice procurement by various squads including vigilance squads and joint teams of officers of FCI and the Ministry have been ensured.

(vi) As a result of above steps, no destination quality complaint against stocks of rice procured/dispatch ex Punjab region, during the month of October, November and December, 2005 during KMS 2005-06 have been received.

Reduction in food subsidy

†36. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Government have formulated a scheme to gradually reduce the food subsidy to eliminate it completely;

† Original notice of the question was received in Hindi.